

## HOUSE BILL NO. HB0300

Electrical generation tax.

Sponsored by: Representative(s) Wylie, Byron, Davis,  
Harshman, Jarvis, Larsen, L, Larson, JT,  
Locke and Nicholas and Senator(s) Case

A BILL

for

1 AN ACT relating to taxation and revenue; imposing an excise  
2 tax on the production of electricity; providing credits for  
3 other taxes paid; providing for administration and  
4 rulemaking authority; providing penalties; providing for  
5 distribution of the tax; creating an account; providing an  
6 exemption for sales tax on electricity sales; making  
7 conforming amendments; and providing for effective dates.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 39-24-101 through 39-24-111 are  
12 created to read:

13

14

CHAPTER 24

15

TAX ON ELECTRICAL GENERATION

1

2           **39-24-101. Definitions.**

3

4 There are no specific applicable provisions for definitions  
5 for this chapter.

6

7           **39-24-102. Administration.**

8

9 The department of revenue shall enforce this chapter. The  
10 department shall promulgate rules necessary for the  
11 implementation and enforcement of this chapter.

12

13           **39-24-103. Imposition.**

14

15 There is levied an excise tax upon the privilege of  
16 producing and selling electricity in this state. The tax  
17 shall be imposed upon the sale of any electricity produced  
18 in Wyoming on or after January 1, 2026, and shall be paid  
19 by the person producing the electricity. The tax shall be  
20 imposed on the annual gross energy earnings from energy  
21 produced in Wyoming.

22

23           **39-24-104. Taxation rate.**

1

2 The tax rate shall be three and one-half percent (3.5%) of  
3 the annual gross energy earnings from energy produced in  
4 this state.

5

6 **39-24-105. Exemptions.**

7

8 (a) No tax shall be imposed upon electricity that is  
9 produced from any generating facility owned or operated by  
10 the federal government or the state of Wyoming.

11

12 (b) No tax shall be imposed upon electricity that is  
13 produced for the personal consumption of the producer,  
14 including any excess production of electricity that does  
15 not exceed five hundred (500) kilowatt hours in any  
16 twenty-four (24) hour period.

17

18 **39-24-106. Licensing; permits.**

19

20 There are no specific applicable provisions for licenses  
21 and permits for this chapter.

22

23 **39-24-107. Compliance; collection procedures.**

1

2 (a) Returns and reports. Any person producing  
3 electricity for sale within this state that is subject to  
4 the tax imposed by this chapter shall report:

5

6 (i) The annual gross energy earnings from energy  
7 produced in Wyoming on or before February 1 of the year  
8 immediately following the year in which the electricity was  
9 produced;

10

11 (ii) Sales of electricity in Wyoming that are or  
12 could be subject to sales or use tax under W.S. 39-15-103  
13 or 39-16-103, regardless of any exemption that may apply to  
14 sales of electricity. Sales of electricity shall be  
15 reported by jurisdiction as required by rule of the  
16 department.

17

18 (b) Payment. Any person owing a tax under this  
19 chapter shall pay the tax one (1) time each year on or  
20 before February 1 of the year immediately following the  
21 year in which the electricity was produced. The tax shall  
22 be collected by the department of revenue.

23

1 (c) Timelines. There are no specific applicable  
2 provisions for timelines for this chapter.

3

4 **39-24-108. Enforcement.**

5

6 (a) Audits. There are no specific applicable  
7 provisions for audits for this chapter.

8

9 (b) Interest. Interest at an annual rate equal to  
10 the average prime interest as determined by the state  
11 treasurer during the preceding fiscal year, plus four  
12 percent (4%), shall be added to all delinquent taxes under  
13 this chapter. To determine the average prime interest rate,  
14 the state treasurer shall average the prime interest rate  
15 for at least seventy-five percent (75%) of the thirty (30)  
16 largest banks in the United States. The interest rate on  
17 delinquent taxes shall be adjusted on January 1 of each  
18 year following the year in which the taxes first became  
19 delinquent. In no instance shall the delinquent interest  
20 rate be less than twelve percent (12%) nor greater than  
21 eighteen percent (18%).

22

23 (c) Penalties. The following shall apply:

1

2           (i) If any person fails to make or file a return  
3 and remit the tax as required by W.S. 39-24-107, the  
4 department shall impose a penalty of five percent (5%) of  
5 the taxes due for each thirty (30) day period, or a  
6 fraction thereof, elapsing between the due date of the  
7 return and the date filed, unless the person for good cause  
8 obtains from the department an extension of time for filing  
9 before the due date for filing. In the event of an  
10 extension, the person shall pay the interest due on  
11 delinquent payments set forth in subsection (b) of this  
12 section. In no event shall the total penalty imposed by  
13 this paragraph exceed twenty-five percent (25%) of the tax  
14 due. The department, for good cause, may waive a penalty  
15 imposed for failure to file a return for any one (1)  
16 calendar year, provided that:

17

18           (A) The return was filed within five (5)  
19 business days following the due date, including a due date  
20 determined by an approved extension period; and

21

1                   (B) The taxpayer requests the waiver in  
2 writing within fifteen (15) days after the return was  
3 filed, setting forth the reasons for the late filing.

4  
5                   (ii) If any part of a tax deficiency is due to  
6 the negligence or intentional disregard of this chapter or  
7 department rules there shall be added a penalty of five  
8 percent (5%) of the amount of the deficiency plus interest  
9 as provided by subsection (b) of this section. The taxes,  
10 penalty and interest shall be paid by the taxpayer within  
11 ten (10) days after receipt of notice and demand by the  
12 department;

13  
14                   (iii) Taxes, interest, penalties and costs shall  
15 be collectible by the department by appropriate judicial  
16 proceedings;

17  
18                   (iv) The department may credit or waive  
19 penalties imposed by this subsection as part of a  
20 settlement or for any other good cause.

21  
22                   (d) Liens. Any delinquent tax is a lien upon the  
23 property of any person owing tax under this chapter from

1 and after the time the tax is due until the tax is paid.  
2 The tax lien shall have preference over all liens except  
3 any valid mortgage or other liens of record filed or  
4 recorded before the date the tax became due.

5

6 (e) Tax sales. There are no specific applicable  
7 provisions for tax sales for this chapter.

8

9 **39-24-109. Tax remedies.**

10

11 (a) Credits. The following shall apply:

12

13 (i) Each taxpayer is entitled to a credit  
14 against tax liability under this chapter for all excise,  
15 sales, use, severance and ad valorem taxes paid in the tax  
16 year by the same taxpayer to any taxing authority in  
17 Wyoming. If the taxpayer produces electricity in this state  
18 used in the production process of any mineral that is taxed  
19 under the provisions of chapter 14 of this title, the  
20 person producing the electricity shall be entitled to a  
21 credit equal to the amount of the severance tax paid on the  
22 minerals consumed in the production of the electricity;

23



1           (ii) To qualify for a credit under this  
2 subsection for severance taxes paid by another person, the  
3 person producing the electricity shall provide  
4 documentation that adequately demonstrates, as determined  
5 by department rules, the amount of taxes paid on the  
6 minerals that were consumed in the production of the  
7 electricity. The taxpayer shall report the credit to the  
8 department on the return filed under W.S. 39-24-107;

9

10           (iii) In no case shall any refund be due or  
11 payable if the amount of any credit claimed under this  
12 section exceeds the amount of tax due under this chapter.

13

14           **39-24-110. Statute of limitations.**

15

16 There are no specific applicable provisions for a statute  
17 of limitations for this chapter.

18

19           **39-24-111. Distribution.**

20

21 The electrical generation account is created. The proceeds  
22 from the tax imposed by this chapter shall be deposited in  
23 the account. All funds within the account shall be invested

1 by the state treasurer in accordance with law and all  
2 investment earnings from the account shall be credited to  
3 the account. It is the intent of the legislature that a  
4 portion of the funds in the account be used to provide  
5 payments to local governments for sales taxes that would  
6 have been collected if sales of electricity reported under  
7 W.S. 39-24-107(a)(ii) were subject to sales tax. Funds  
8 within the account shall only be expended by legislative  
9 appropriation.

10

11 **Section** 2. W.S. 39-11-101(a)(xviii),  
12 39-15-103(a)(i)(E) and 39-15-105(a)(v) by creating a new  
13 subparagraph (E) are amended to read:

14

15 **39-11-101. Definitions.**

16

17 (a) As used in this act unless otherwise specifically  
18 provided:

19

20 (xviii) "This act" means W.S. 39-11-101 through  
21 ~~39-23-111~~ 39-24-111.

22

23 **39-15-103. Imposition.**

1

2 (a) Taxable event. The following shall apply:

3

4 (i) Except as provided by W.S. 39-15-105, there  
5 is levied an excise tax upon:

6

7 (E) Except to the extent exempt under W.S.  
8 39-15-105(a)(v)(E), the sales price paid to public  
9 utilities as defined in W.S. 37-1-101 through 37-3-114 and  
10 to persons furnishing gas, electricity or heat for  
11 domestic, industrial or commercial consumption;

12

13 **39-15-105. Exemptions.**

14

15 (a) The following sales or leases are exempt from the  
16 excise tax imposed by this article:

17

18 (v) For the purpose of exempting sales of  
19 services and tangible personal property which are  
20 alternatively taxed, the following are exempt:

21

22 (E) Sales of electricity that are subject  
23 to the tax in chapter 24 of this title.

1

2           **Section 3.** The department of revenue shall adopt any  
3 rules necessary to implement this act not later than July  
4 1, 2025.

5

6           **Section 4.**

7

8           (a) Except as provided in subsection (b) of this  
9 section, this act is effective immediately upon completion  
10 of all acts necessary for a bill to become law as provided  
11 by Article 4, Section 8 of the Wyoming Constitution.

12

13           (b) Section 1 of this act is effective July 1, 2025.

14

15

(END)